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7
8 Attorneys for Plaintiffs
9 COACH, INC. and COACH SERVICES,
10 INC.

11 **UNITED STATES DISTRICT COURT**
12 **CENTRAL DISTRICT OF CALIFORNIA**

13 COACH, INC., a Maryland corporation;
14 and COACH SERVICES, INC., a
15 Maryland corporation,

16 Plaintiffs,

17 vs.

18 CITI TRENDS, INC., a Delaware
19 corporation, and KELLY MARTIN, an
20 individual,

21 Defendants.

Case No. 2:17-cv-04775

COMPLAINT FOR:

- 1) **LANHAM ACT – § 32**
(15 U.S.C. § 1114);
- 2) **LANHAM ACT – § 43(a)**
(15 U.S.C. § 1125(a));
- 3) **LANHAM ACT – § 42**
(15 U.S.C. § 1124);
- 4) **TARIFF ACT – § 526**
(19 U.S.C. § 1526(A));
- 5) **STATUTORY UNFAIR**
COMPETITION (CAL. BUS.
& PROF. CODE § 17200 *et*
***seq.*); and**
- 6) **COMMON LAW UNFAIR**
COMPETITION AND
TRADEMARK
INFRINGEMENT

DEMAND FOR JURY TRIAL

22
23 Plaintiffs COACH, INC. and COACH SERVICES, INC. (collectively,
24 “Coach” or “Plaintiffs”), for their Complaint herein against Defendants CITI
25 TRENDS, INC. (“Citi Trends”) and KELLY MARTIN (“Martin”) (collectively,
26 “Defendants”) allege as follows:
27
28

NATURE OF THE ACTION

1
2 1. This is an action for: (i) infringement by counterfeiting of a registered
3 trademark in violation of Section 32(1) of the Lanham Act, 15 U.S.C. § 1114;
4 (ii) false designation of origin and trademark infringement in violation of Section
5 43(a) of the Lanham Act, 15 U.S.C. § 1125(a); (iii) unlawful importation of goods
6 bearing an infringing trademark in violation of Section 42 of the Lanham Act, 15
7 U.S.C. § 1124; (iv) unlawful importation of goods bearing a registered United States
8 trademark in violation of Section 526(a) of the Tariff Act, 19 U.S.C. § 1526(a);
9 (v) statutory unfair competition in violation of Cal. Bus. & Prof. Code § 17200 *et*
10 *seq.*; and (vi) unfair competition in violation of the common law of the State of
11 California.

12 2. According to Citi Trend’s public statements set forth on its website,
13 Citi Trends is a large, nation-wide “value-priced retailer of fashion apparel, shoes,
14 accessories, and home décor” that operates “537 stores in 31 states.” Citi Trends
15 claims that its “goal is to provide nationally recognized branded merchandise at
16 discounts off department and specialty stores’ regular prices of 20% to 70%.” In
17 pursuit of this goal, Citi Trends, by and through its employee, Martin, conspired
18 with one of Citi Trends’ “over 1,600 vendors” located within this judicial district to
19 import, distribute, offer for sale, and sell commercial quantities of counterfeit
20 Coach® brand handbags and wallets that infringe Plaintiffs’ U.S.-registered
21 trademarks. Plaintiffs expect that discovery in this case will reveal additional
22 trademarks owned by Plaintiffs that have been counterfeited by Defendants. These
23 acts of infringement have given rise to significant legal claims by Plaintiffs against
24 Defendants.

25 3. Coach was founded seventy-five (75) years ago as a family-run
26 workshop in Manhattan. Since then, Coach has been engaged in the manufacture,
27 marketing and sale of fine leather and mixed material products, including, but not
28 limited to, handbags, wallets, accessories, eyewear, footwear, clothing, outerwear,

1 jewelry and watches (collectively, the “Coach Products”). Coach sells its goods
2 throughout the United States, including in California, through its own specialty
3 retail stores and outlet stores, through various department stores, and via the Internet
4 websites located at www.coach.com and www.coachoutlet.com.

5 4. Coach Products have become enormously popular and even iconic,
6 driven by Coach’s arduous quality standards and innovative designs. Among the
7 purchasing public, genuine Coach Products are instantly recognizable as such.

8 5. Both in the United States and internationally, the Coach brand has
9 come to symbolize high quality, and Coach Products are among the most
10 recognizable handbags, wallets, and accessories in the world. Whether made
11 entirely of leather or in combination with printed or other components, genuine
12 Coach Products are greatly coveted as premier fashion accessories of the highest
13 quality.

14 6. The unique mix of function, workmanship, fashion and style that goes
15 into each and every genuine Coach Product, as well as the brand’s exclusive cache,
16 results in Coach Products enjoying high popularity and enormous goodwill with the
17 consuming public. Coach is the exclusive distributor of Coach Products.

18 7. In an attempt to profit from Plaintiffs’ substantial investment in their
19 trademarks, Defendants conspired with one of their vendors located within this
20 judicial district (the “Vendor”) to import, distribute, offer for sale, and sell
21 commercial quantities of handbags and wallets that bear spurious marks that are
22 either identical to or substantially indistinguishable from Plaintiffs’ trademarks.
23 Coach has confirmed that the handbags and wallets at issue were not manufactured,
24 licensed or sponsored by, or affiliated with Coach, and are counterfeit. Consumers
25 are therefore likely to be confused and/or disappointed by obtaining counterfeit
26 handbags and wallets when they intended to purchase genuine handbags and wallets
27 manufactured and sold by Coach.

28

1 8. As a result of Defendants' actions, Plaintiffs are suffering a loss of the
2 enormous goodwill and value they have created in their trademarks. This action
3 seeks permanent injunctive relief and monetary damages for the infringement of
4 Plaintiffs' valuable intellectual property rights.

5 **JURISDICTION AND VENUE**

6 9. This Court has jurisdiction over this action pursuant to: (i) 28 U.S.C.
7 §§ 1331, 1338(a) and (b), 15 U.S.C. § 1121, as an action for violation of the Lanham
8 Act, 19 U.S.C. § 1526(a), as an action for violation of Section 526(a) of the Tariff
9 Act; and (ii) 28 U.S.C. § 1367(a), pursuant to the principles of supplemental
10 jurisdiction.

11 10. Venue is proper in this district pursuant to 28 U.S.C. § 1391(b) in that a
12 substantial part of the events or omissions giving rise to the claims herein occurred
13 in this judicial district and Defendants conduct business within this judicial district.

14 **THE PARTIES**

15 11. Plaintiff Coach, Inc. is a corporation duly organized and existing under
16 the laws of the State of Maryland, with its principal place of business in New York,
17 New York.

18 12. Plaintiff Coach Services, Inc. is a corporation duly organized and
19 existing under the laws of the State of Maryland, with its principal place of business
20 in Jacksonville, Florida.

21 13. Defendant Citi Trends, Inc. ("Citi Trends") is a corporation organized
22 and existing under the laws of the State of Delaware, with its principal place of
23 business at 104 Coleman Boulevard, Savannah, Georgia 31408. Citi Trends owns
24 and operates more than five hundred retail stores throughout the United States,
25 including within the State of California and within this judicial district.

26 14. Defendant Kelly Martin ("Martin") is an individual who is believed to
27 reside in Pennsylvania or New York. Martin is a buyer for Citi Trends at their New
28 York office located at 1385 Broadway, Suite 809, New York, New York 10018.

FACTS GIVING RISE TO THIS ACTION

The Coach Trademarks

15. Coach has sold leather goods under the COACH mark since 1941. The types of goods sold under the COACH mark have expanded extensively since then to include all of the Coach Products, and the Coach Products have long been among the most popular luxury lifestyle items. The COACH mark itself is iconic, symbolizing a unique blend of fashion, craftsmanship, style, and function, whether associated with handbags, wallets, or other Coach Products.








16. Coach owns the trademark and trade name “COACH” for the Coach Products, as well as numerous other highly distinctive marks.









17. Coach incorporates a variety of distinctive marks in the design of its various handbags, purses, wallets, and other Coach Products. Coach Products typically include at least one of Coach’s federally registered trademarks. Often several of Coach’s trademarks appear on a single Coach Product. Coach also uses these trademarks in connection with the marketing of its Coach Products. Coach and its predecessors have achieved annual sales volume of more than four billion dollars (\$4,000,000,000) on products bearing Coach’s trademarks. As such, Coach’s trademarks, and the goodwill associated therewith, are among Coach’s most valuable assets.








18. Coach has registered many of its trademarks with the United States Patent and Trademark Office, including, *inter alia*, the following marks, which are collectively referred to as the “Coach Trademarks”:








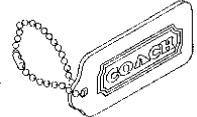
Registration No.	Mark	Classes, Goods and Services	Date of Registration	Image
2,088,706	COACH	6, 9, 16, 18, 20 and 25 for <i>inter alia</i> key fobs, eyeglass cases, cellular phone cases satchels, tags for luggage, luggage, backpacks, picture frames, hats, gloves and caps.	August 19, 1997	COACH




Registration No.	Mark	Classes, Goods and Services	Date of Registration	Image
3,157,972	COACH	35 for retail store services.	October 17, 2006	COACH
751,493	COACH	14 for leather goods, namely, utility kits, portfolios, key cases, pass cases, billfolds, wallets, pocket secretaries.	June 23, 1963	COACH
2,451,168	COACH	9 for eyeglasses.	May 15, 2001	COACH
4,105,689	COACH	9 for sunglasses.	February 25, 2012	COACH
1,846,801	COACH	25 for men's and women's coats and jackets.	July 26, 1994	COACH
3,439,871	COACH	18 for umbrellas.	June 3, 2008	COACH
2,231,001	COACH	25 for clothing for men, women, namely, coats, jackets, overcoats, raincoats, shirts, vests, scarves, shoes and belts.	March 9, 1999	COACH
3,354,448	COACH	14 for <i>inter alia</i> jewelry.	December 11, 2007	COACH
2,291,341	COACH	14 for watches.	November 9, 1999	COACH
1,071,000	COACH	18, 25 for <i>inter alia</i> women's handbags and men's and women's belts.	August 9, 1977	COACH
3,633,302	COACH	3 for <i>inter alia</i> perfumes, lotions and body sprays.	June 2, 2009	COACH





Registration No.	Mark	Classes, Goods and Services	Date of Registration	Image
4,168,626	COACH NEW YORK	18, 25 for <i>inter alia</i> briefcases, satchels, tote bags, duffle bags, key cases, coin cases, wallets, hats, caps, gloves, coats, jackets, overcoats, raincoats, scarves, shoes and belts.	July 3, 2012	
4,296,584	COACH NEW YORK	9, 16 for cases for eyeglasses and sunglasses, sunglasses and spectacles, calendars and diaries.	February 26, 2013	COACH NEW YORK
3,413,536	COACH EST. 1941 Stylized	14 for <i>inter alia</i> jewelry	April 15, 2008	
2,534,429	COACH & Lozenge Design	9 for eyeglasses, eyeglass frames, and sunglasses.	January 29, 2002	
3,363,873	COACH & Lozenge Design	3 for <i>inter alia</i> fragrances.	January 1, 2008	
2,252,847	COACH & Lozenge Design	35 for retail services.	June 15, 1999	
2,291,368	COACH & Lozenge Design	14 for <i>inter alia</i> watches.	November 9, 1999	
2,169,808	COACH & Lozenge Design	25 for <i>inter alia</i> clothing for men and women, namely, coats, jackets, scarves, shoes, and belts.	June 30, 1998	

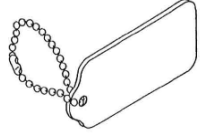
Registration No.	Mark	Classes, Goods and Services	Date of Registration	Image
2,045,676	COACH & Lozenge Design	6, 9, 16, 18, 20, 25 for <i>inter alia</i> key fobs, money clips, phone cases, computer cases, briefcases, satchels, duffel bags, hats, caps and gloves.	March 18, 1997	
1,070,999	COACH & Lozenge Design	18, 25 for <i>inter alia</i> women's handbags and men's and women's belts.	August 9, 1977	
1,309,779	COACH & Lozenge Design	9, 16, 18 for <i>inter alia</i> eyeglass cases and leather goods, namely, wallets, purses and shoulder bags.	December 19, 1984	
2,035,056	COACH & Lozenge Design	3, 21 for <i>inter alia</i> leather cleaning products and shoe brushes.	February 4, 1997	
2,626,565	CC & Design (Signature C)	18 for <i>inter alia</i> handbags, purses, clutches, shoulder bags, tote bags, and wallets.	September 24, 2002	
2,822,318	CC & Design (Signature C)	24 for fabric for use in the manufacture of clothing, shoes, handbags, and luggage.	March 16, 2004	
2,832,589	CC & Design (Signature C)	6, 9, 14, 18, for <i>inter alia</i> sunglasses and eyeglass cases, metal key fobs, leather key fobs, jewelry, watches, umbrellas.	April 13, 2004	
2,592,963	CC & Design (Signature C)	25 for <i>inter alia</i> clothing namely, scarves, belts, gloves, hats, shoes, coats, jackets.	July 9, 2002	

Registration No.	Mark	Classes, Goods and Services	Date of Registration	Image
2,822,629	CC & Design (Signature C)	35 for retail services.	March 16, 2004	
4,365,898	COACH Signature C & Design	9 for protective covers and cases for cell phones, laptops and portable media players.	July 9, 2013	
3,396,554	AMENDED CC & Design (Signature C)	3 for fragrances.	March 11, 2008	
4,365,899	COACH OP ART & Design	9 for protective covers and cases for cell phones, laptops and portable media players.	July 9, 2013	
4,105,636	COACH OP ART & Design	14, 18, 25 for jewelry, watches, wallets, handbags, belts, hats, scarves, shoes, coats, gloves and t-shirts.	February 28, 2012	
4,391,741	COACH LEATHERWARE EST. 1941 & Design	3 for after-shave, body lotions, fragrances, make-up, perfumes, soaps for personal use.	August 27, 2013	
4,296,582	COACH EST. 1941 NEW YORK & Design	14,16,18 and 25 for <i>inter alia</i> jewelry and watches, handbags, leather credit card cases, purses, shoulder bags, wallets, belts, coats, t-shirts, hats, gloves, shoes, day planners.	February 26, 2013	

Registration No.	Mark	Classes, Goods and Services	Date of Registration	Image
4,359,191	COACH EST. 1941 NEW YORK & Design	9 for protective covers and cases for cell phones, laptops and portable media players.	June 25, 2013	
3,251,315	COACH EST. 1941 & Design	18, 25 for <i>inter alia</i> handbags, small leather goods, jackets, coats and shoes.	June 12, 2007	
3,338,048	COACH & Design	18 for <i>inter alia</i> luggage, backpacks, purses, wallets, and shoulder bags.	November 11, 2007	
3,149,330	C & Lozenge Logo	14 for watches.	September 26, 2006	
2,162,303	COACH & Tag Design	25 for belts.	June 2, 1998	
4,334,351	COACH & Tag Design	9 for protective covers and cases for cell phones, laptops and portable media players.	May 14, 2013	
3,685,590	COACH & Tag Design	14 for bracelets, earrings, jewelry, necklaces, rings being jewelry, watches.	September 22, 2009	
2,088,707	COACH & Tag Design	18 for <i>inter alia</i> briefcases, handbags, satchels, tote bags, duffle bags, cosmetic bags, luggage.	August 19, 1997	

Registration No.	Mark	Classes, Goods and Services	Date of Registration	Image
4,744,715	COACH NEW YORK & Design	18 for handbags; purses; tote bags; clutch purses; wristlet bags; shoulder bags; messenger bags; duffle bags; backpacks; briefcases; travel bags; luggage; garment bags for travel; bags for carrying babies' accessories; wallets; billfolds; luggage tags; cosmetic cases sold empty; toiletry cases sold empty; key cases and wallets; business card cases; credit card cases; coin purses; umbrellas; pet collars and leashes; and leather boxes.	May 26, 2015	
4,744,716	COACH NEW YORK & Design	16 for notebooks; address books; daily planners; diaries; paper refills for notebooks, address books, daily planners, diaries, and calendars; paper weights; desk file trays; bookmarks; pencil cases; checkbook covers; money clips; paper shopping bags; boxes of paper or cardboard; paper holders for receipts; and tissue paper.	May 26, 2015	
4,744,718	COACH NEW YORK & Design	25 for clothing, namely, coats, jackets, overcoats, raincoats, vests, parkas, capes, blouses, shirts, t-shirts, tank tops, tunics, sweaters, sweatshirts, skirts, pants, dresses, scarves, swimwear; belts; gloves; hats; and footwear.	May 26, 2015	

Registration No.	Mark	Classes, Goods and Services	Date of Registration	Image
4,744,719	COACH NEW YORK & Design	3 for fragrances; aftershaves; colognes; leather cleaning and moisturizing preparations; and fabric cleaners.	May 26, 2015	
4,744,720	COACH NEW YORK & Design	9 for sunglasses; eyeglasses; optical frames; cases for eyeglasses and sunglasses; adapter plugs; cell phone cases; cell phone covers; carrying cases for cell phones; protective covers and cases for tablet computers; and mouse pads.	May 26, 2015	
4,744,721	COACH NEW YORK & Design	14 for watches; jewelry; and ornamental pins.	May 26, 2015	
4,814,094	COACH NEW YORK & Design	18 for handbags; purses; tote bags; clutch purses; wristlet bags; shoulder bags; messenger bags; duffle bags; backpacks; briefcases; travel bags; luggage; garment bags for travel; bags for carrying babies' accessories; cosmetic cases sold empty; and toiletry cases sold empty.	September 15, 2015	
4,754,870	COACH NEW YORK	3, 6 for fragrances; key fobs of common metal; and metal rings and chains for keys.	June 16, 2015	COACH NEW YORK
5,004,497	COACH 1941	18, 25 for <i>inter alia</i> handbags, small leather goods, jackets, clothing, coats and shoes.	July 19, 2016	COACH 1941

Registration No.	Mark	Classes, Goods and Services	Date of Registration	Image
5,045,622	HANGTAG SHAPE DESIGN	18 for <i>inter alia</i> briefcases, handbags, satchels, tote bags, duffle bags, cosmetic bags, wallets, luggage.	September 20, 2016	

19. The registration of the Coach Trademarks constitutes *prima facie* evidence of their validity and conclusive evidence of Coach's exclusive right to use the Coach Trademarks in connection with the goods identified therein and on other commercial goods.

20. The registration of the Coach Trademarks also provides sufficient notice to Defendants of Coach's ownership of and exclusive rights in the Coach Trademarks.

21. Coach has expended substantial time, money, and other resources in developing, advertising, and otherwise promoting the Coach Trademarks. As a result, products bearing the Coach Trademarks are widely recognized as being high quality products and are exclusively associated by consumers, the public, and the trade with Coach. The Coach Trademarks have therefore acquired strong secondary meaning and signal to consumers that Coach is the exclusive source of Coach Products bearing the Coach Trademarks.

22. The Coach Trademarks qualify as famous marks, as that term is used in 15 U.S.C. § 1125(c)(1).

Defendants' Acts of Infringement

23. As set forth more fully below, Plaintiffs discovered Defendants' direct and controlling role in the importation and sale of counterfeit goods in the United States when two of their shipments were seized by United States Bureau of Customs & Border Protection ("CBP") at the Port of Long Beach, California. Even though these shipments had been imported in the name of the Vendor, it was Martin, Citi

1 Trends' buyer, who personally selected the infringing designs and materials used to
2 manufacture these counterfeit Coach Products and directed the Vendor to purchase
3 and import the goods for delivery to Citi Trends' distribution center in Roland,
4 Oklahoma.

5 24. Martin has the title of "Buyer – Fashion Handbags and Luggage" at
6 Citi Trends, where she has worked since April 2012. For the seven years prior to
7 joining Citi Trends, Martin worked uninterruptedly as a buyer for several different
8 fashion and accessory retailers. Martin obtained her Bachelor of Science, Fashion
9 Merchandising degree from Philadelphia University. Martin cannot plausibly
10 maintain that she lacks familiarity with Coach, Inc., Coach, Inc.'s Coach Products,
11 or with Plaintiffs' world-famous CC & Design (Signature C) Mark.

12 25. Martin fully understood that she was selecting, and directing the
13 Vendor to import and deliver to Citi Trends in the United States, handbags and
14 wallets that bore counterfeit versions of Plaintiffs' CC & Design (Signature C)
15 Mark.

16 26. CBP periodically inspects merchandise imported into the United States.
17 As a result of one such inspection on or about August 24, 2015, CBP discovered that
18 a shipment imported into the United States in the name of the Vendor contained a
19 commercial quantity of goods bearing spurious marks that were either identical with
20 or substantially indistinguishable from at least one of the Coach Trademarks.

21 27. On or about November 6, 2015, CBP mailed to Plaintiffs a Notice of
22 Seizure of Infringing Merchandise (No. 2016-2704-000004-01/VJ) ("First Notice of
23 Seizure") naming the Vendor as the party that imported 800 "handbags" that bore
24 counterfeit versions of at least one of the Coach Trademarks. A true and correct
25 copy of the First Notice of Seizure is attached hereto as Exhibit A.

26 28. The First Notice of Seizure identifies the counterfeited trademark by its
27 CBP recordation number, TMK 04-00378. This CBP recordation number
28 corresponds to U.S. Trademark Registration No. 2,822,318, also known as the "CC

1 & Design (Signature C) Mark.” A true and correct copy of U.S. Trademark
2 Registration No. 2,822,318 for Plaintiff’s CC & Design (Signature C) Mark is
3 attached hereto as Exhibit B.

4 29. Coach filed and recorded a copy of the registration certificate of U.S.
5 Trademark Registration No. 2,822,318 with CBP in accordance with Section 526(a)
6 of the Tariff Act, 19 U.S.C. § 1526(a), and Section 42 of the Lanham Act, 15 U.S.C.
7 § 1124. Once filed with CBP, U.S. Trademark Registration No. 2,822,318 was
8 recorded by CBP under the Recordation Number TMK 04-00378. A true and
9 correct copy of the computer printout documenting CBP’s recordation of this
10 trademark is attached hereto as Exhibit C.

11 30. The First Notice of Seizure identified “Polinn International Trade
12 Limited” (“Polinn”) in China as the source of the counterfeit handbags. The
13 counterfeit handbags had been imported into the Port of Long Beach, California.

14 31. As part of its investigation into this matter and based on information
15 provided by CBP, Coach has confirmed that the 800 handbags referenced in the
16 First Notice of Seizure are counterfeit, and not genuine articles manufactured by or
17 with the permission of Coach.

18 32. Packed inside the same ocean shipping container that held these 800
19 counterfeit COACH brand handbags were an additional 7,610 handbags that
20 counterfeited other U.S.-registered trademarks that belong to entities other than
21 Coach, including Louis Vuitton Malletier and The Estate of Marilyn Monroe, LLC.
22 CBP also seized these 7,610 counterfeit handbags from the Vendor.

23 33. On or about September 22, 2015, CBP discovered that another
24 shipment imported into the United States contained a commercial quantity of
25 handbags bearing spurious marks that were counterfeit versions of least one of the
26 Coach Trademarks, *i.e.*, Plaintiffs’ CC & Design (Signature C) Mark.

27 34. On or about November 25, 2015, CBP mailed to Plaintiffs a second
28 Notice of Seizure of Infringing Merchandise (No. 2016-2704-000004-01/VJ)

1 (“Second Notice of Seizure”) naming the Vendor as the party that imported 600
2 handbags that bore counterfeit versions of Plaintiffs’ CC & Design (Signature C)
3 Mark. A true and correct copy of the Second Notice of Seizure is attached hereto as
4 Exhibit D. CBP has confirmed to Coach that the case number appearing on the face
5 of the Second Notice of Seizure is in error, and should be No. 2016-2704-000108-01
6 VJ.

7 35. The Second Notice of Seizure also identified Polinn in China as the
8 source of this second shipment of counterfeit handbags imported in the name of the
9 Vendor. These counterfeit handbags had also been imported into the Port of Long
10 Beach, California.

11 36. As part of its investigation into this matter and based on information
12 provided by CBP, Coach has confirmed that the 600 handbags referenced in the
13 Second Notice of Seizure are counterfeit, and not genuine articles manufactured by
14 or with the permission of Coach.

15 37. Packed inside the same ocean shipping container that held these 600
16 counterfeit COACH brand handbags were an additional 3,550 handbags that
17 counterfeited other U.S.-registered trademarks that belong to entities other than
18 Coach, including The Estate of Marilyn Monroe, LLC. CBP also seized these 3,550
19 counterfeit handbags from the Vendor.

20 38. Even though the First and Second Notices of Seizure describe the
21 seized goods only as “handbags”, the seized goods also included a second type of
22 goods, *i.e.*, “wallets.”

23 39. Martin personally selected the designs that were used in the
24 manufacture of the Coach Products that were seized by CBP. These designs
25 incorporated Plaintiffs’ CC & Design (Signature C) Mark. Martin also personally
26 selected the designs that were used in the manufacture of the other goods seized by
27 CBP bearing counterfeit versions of trademarks owned by Louis Vuitton Malletier
28 and The Estate of Marilyn Monroe, LLC. Martin followed-up her selection

1 decisions by issuing Purchase Orders to the Vendor directing the Vendor to procure
2 thousands of units of the infringing goods and to deliver them to Citi Trends,
3 complete with Citi Trends hang tags attached to each unit.

4 40. For example, Exhibit E attached hereto is true and accurate copy of Citi
5 Trends' Purchase Order Number 48621, dated February 15, 2015, and issued by
6 Martin. Purchase Order Number 48621 reflects Citi Trends' intent to purchase 400
7 units of an item described by Martin as "BRWN SIGN CC RNSTNE XBDY
8 BROWN CROSSBODY BAG" for a price of \$7.00 per unit.

9 41. Plaintiffs' CC & Design (Signature C) Mark is composed of the letters
10 "CC" repeating in different orientations. Martin's use of "SIGN CC" clearly
11 indicates her intention to order handbags bearing counterfeit versions of Plaintiffs'
12 CC & Design (Signature C) Mark trademark.

13 42. Trends' Purchase Order Number 48621 also specifies the purchase of
14 600 handbags described by Martin as "RED MARILYN RNSTNE XBDY RED
15 CROSSBODY BAG." These handbags bore images of the late actress Marilyn
16 Monroe. Counterfeit Marilyn Monroe brand handbags were seized by CBP along
17 with the counterfeit Coach Products.

18 43. Neither Polinn nor the Vendor is an authorized or legitimate source of
19 genuine Coach Products. Moreover, genuine Coach Products simply cannot be
20 purchased for \$7.00 – or less – per handbag or wallet. The impossibly low prices
21 paid by Citi Trends for these goods cannot be reconciled with any claim that the
22 goods were believed to be genuine Coach Products. Citi Trends must have known
23 that all of the Coach Products (and Louis Vuitton and Marilyn Monroe products) it
24 purchased from the Vendor were counterfeit.

25 44. Upon information and belief, Citi Trends conspired with the Vendor to
26 import the shipments referenced in the First and Second Notices of Seizure in
27 connection with their coordinated and ongoing efforts to import, sell, offer for sale,
28

1 and/or distribute counterfeit COACH brand handbags and wallets, thereby
 2 intentionally and knowingly infringing Plaintiffs' valuable trademarks.

3 **The Likelihood of Confusion and Injury Caused by the Defendants' Actions**

4 45. Upon information and belief, Defendants are engaged in and/or
 5 otherwise involved in facilitating the ongoing and unrestrained commercial
 6 importation of counterfeit COACH brand handbags and wallets into the United
 7 States. As a result of Defendants' actions, Coach is suffering a loss of the enormous
 8 goodwill and value created in the Coach Trademarks, and/or may suffer such loss if
 9 Defendants are allowed to continue their illegal activity.

10 46. The counterfeit COACH brand handbags imported and sold by
 11 Defendants are not the same as genuine handbags manufactured and sold by
 12 Plaintiffs under the Coach Trademarks. As such, consumers who purchase
 13 counterfeit COACH brand handbags are likely to be confused and/or disappointed
 14 by obtaining counterfeit handbags and wallets when they intended to purchase
 15 genuine COACH brand handbags and wallets.

16 47. In addition, the sale of counterfeit COACH brand handbags and wallets
 17 is likely to cause confusion among consumers regarding Plaintiffs' sponsorship or
 18 approval of the counterfeit handbags and wallets. As a result of Defendants'
 19 actions, Plaintiffs are suffering a loss of the enormous goodwill Plaintiffs created in
 20 the Coach Products and are losing sales of genuine products.

21 48. Defendants are likely to continue to commit the acts complained of
 22 herein, and unless restrained and enjoined, will continue to do so, thereby causing
 23 Plaintiffs irreparable harm.

24 **FIRST CLAIM FOR RELIEF**

25 **(For Infringement by Counterfeiting of Registered Trademarks in Violation of**
 26 **Section 32(1) of the Lanham Act, 15 U.S.C. § 1114(1))**

27 49. Plaintiffs specifically reallege and incorporate herein by reference each
 28 and every allegation contained in Paragraphs 1 through 48 hereof.

1 50. The acts of Defendants alleged herein constitute the use in commerce,
 2 without the consent of Plaintiffs, of a reproduction, counterfeit, copy, or colorable
 3 imitation of one or more of the Coach Trademarks in connection with the sale,
 4 offering for sale, distribution, or advertising of goods, which use is likely to cause
 5 confusion or mistake, or to deceive consumers and therefore infringe Plaintiffs'
 6 rights in one or more of the Coach Trademarks, in violation of Section 32(1) of the
 7 Lanham Act, 15 U.S.C. § 1114(1).

8 51. Defendants' use of the infringing marks was willful, intentional, and
 9 done with the knowledge that the marks are counterfeit marks, as defined in Section
 10 34(d) of the Lanham Act, 15 U.S.C. § 1116(d).

11 52. Defendants' acts entitle Plaintiffs to damages for all of Defendants'
 12 profits derived from their past unlawful conduct, trebled, to the full extent provided
 13 under Sections 35(a) and 35(b) of the Lanham Act, 15 U.S.C. §§ 1117(a)-(b), or in
 14 the alternative to statutory damages under Section 35(c) of the Lanham Act, 15
 15 U.S.C. § 1117(c).

16 53. Plaintiffs have no adequate remedy at law for the foregoing wrongful
 17 conduct. Plaintiffs have been, and absent injunctive relief, will continue to be
 18 irreparably harmed by Defendants' actions.

19 **SECOND CLAIM FOR RELIEF**

20 **(For False Designation of Origin and Trademark and Trade Dress** 21 **Infringement in Violation of Section 43(a)(1)(A) of the Lanham Act,** 22 **15 U.S.C. § 1125(a)(1)(A))**

23 54. Plaintiffs specifically reallege and incorporate herein by reference each
 24 and every allegation contained in Paragraphs 1 through 53 hereof.

25 55. The acts of Defendants alleged herein constitute the use in interstate
 26 commerce of a word, term, name, symbol, or device, or any combination thereof, or
 27 false designation of origin, in connection with the sale, or offering for sale, of goods
 28 in violation of section 43(a)(1)(A) of the Lanham Act, 15 U.S.C. § 1125(a)(1)(A).

1 These acts of Defendants are likely to cause confusion, or to cause mistake, or to
 2 deceive as to the affiliation, connection, or association of Defendants with Plaintiffs,
 3 or as to the origin, sponsorship, or approval of the counterfeit handbags and wallets
 4 by Plaintiffs.

5 56. Defendants' use of infringing marks was willful, intentional, and done
 6 with the knowledge that the marks are counterfeit marks, as defined in Section 34(d)
 7 of the Lanham Act, 15 U.S.C. § 1116(d).

8 57. Defendants' acts entitle Plaintiffs to damages for all of Defendants'
 9 profits derived from their past unlawful conduct, trebled, to the full extent provided
 10 under Sections 35(a) and 35(b) of the Lanham Act, 15 U.S.C. §§ 1117(a)-(b), or in
 11 the alternative to statutory damages under Section 35(c) of the Lanham Act,
 12 15 U.S.C. § 1117(c).

13 58. Plaintiffs have no adequate remedy at law for the foregoing wrongful
 14 conduct. Plaintiffs have been, and absent injunctive relief, will continue to be
 15 irreparably harmed by Defendants' actions.

16 **THIRD CLAIM FOR RELIEF**

17 **(For Unlawful Importation of Goods Bearing Infringing Marks in Violation of** 18 **Section 42 of the Lanham Act, 15 U.S.C. § 1124)**

19 59. Plaintiffs specifically reallege and incorporate herein by reference each
 20 and every allegation contained in Paragraphs 1 through 58 hereof.

21 60. Defendants' acts alleged herein constitute the importation of
 22 merchandise which bears copies or simulations of at least one of the federally-
 23 registered Coach Trademarks in violation of Section 42 of the Lanham Act, 15
 24 U.S.C. § 1124.

25 61. Defendants' use of the infringing marks was willful, intentional, and
 26 done with the knowledge that the marks are counterfeit marks, as defined in Section
 27 34(d) of the Lanham Act, 15 U.S.C. § 1116(d).

62. Defendants' acts entitle Plaintiffs to damages for all of Defendants' profits derived from their past unlawful conduct, trebled, to the full extent provided under Sections 35(a) and 35(b) of the Lanham Act, 15 U.S.C. §§ 1117(a)-(b), or in the alternative to statutory damages under Section 35(c) of the Lanham Act, 15 U.S.C. § 1117(c).

63. Plaintiffs have no adequate remedy at law for the foregoing wrongful conduct. Plaintiffs have been, and absent injunctive relief, will continue to be irreparably harmed by Defendants' actions.

FOURTH CLAIM FOR RELIEF

(For Unlawful Importation of Goods Bearing Registered United States Trademarks in Violation of Section 526(a) of the Tariff Act, 19 U.S.C. § 1526(a))

64. Plaintiffs specifically reallege and incorporate herein by reference each and every allegation contained in Paragraphs 1 through 63 hereof.

65. Defendants' acts alleged herein constitute the importation of merchandise which bears imitations of at least one of the Coach Trademarks, without Plaintiffs' consent, in violation of Section 526(a) of the Tariff Act, 19 U.S.C. § 1526(a).

66. Defendants' use of the infringing marks was willful, intentional, and done with the knowledge that the marks are counterfeit marks, as defined in Section 34(d) of the Lanham Act, 15 U.S.C. § 1116(d).

67. Defendants' acts entitle Plaintiffs to damages for all of Defendants' profits derived from their past unlawful conduct, trebled, to the full extent provided under Sections 35(a) and 35(b) of the Lanham Act, 15 U.S.C. §§ 1117(a)-(b), or in the alternative to statutory damages under Section 35(c) of the Lanham Act, 15 U.S.C. § 1117(c).

1 68. Plaintiffs have no adequate remedy at law for the foregoing wrongful
2 conduct. Plaintiffs have been, and absent injunctive relief, will continue to be
3 irreparably harmed by Defendants' actions.

4 **FIFTH CLAIM FOR RELIEF**

5 **(For Violation of the California Unfair Business Practices Act,**
6 **Cal. Bus & Prof. Code § 17200 *et seq.*)**

7 69. Plaintiffs specifically reallege and incorporate herein by reference each
8 and every allegation contained in Paragraphs 1 through 68 hereof.

9 70. Defendants' conduct, as alleged above, constitutes unfair competition
10 under Cal. Bus. & Prof. Code § 17200 *et seq.* These acts of Defendants are likely to
11 cause confusion, or to cause mistake, or to deceive as to the affiliation, connection,
12 or association of Defendants with Plaintiffs, or as to the origin, sponsorship, or
13 approval of the counterfeit handbags and wallets by Plaintiffs.

14 71. Defendants' acts entitle Plaintiffs to general and special damages for all
15 of Defendants' profits derived from their past unlawful conduct to the full extent
16 provided for by Cal. Bus. & Prof. Code § 17200 *et seq.*

17 72. Plaintiffs have no adequate remedy at law for the foregoing wrongful
18 conduct. Plaintiffs have been, and absent injunctive relief, will continue to be
19 irreparably harmed by Defendants' actions.

20 **SIXTH CLAIM FOR RELIEF**

21 **(For Unfair Competition in Violation of California State Common Law)**

22 73. Plaintiffs specifically reallege and incorporate herein by reference each
23 and every allegation contained in Paragraphs 1 through 72 hereof.

24 74. Defendants' conduct, as alleged above, constitutes unfair competition
25 under California State common law. Defendants' acts have resulted in the "passing
26 off" of Defendants' products as those of Plaintiffs, or as somehow related or
27 associated with, or sponsored or endorsed by Plaintiffs.

75. Defendants' acts entitle Plaintiffs to general and special damages for all of Defendants' profits derived from their past unlawful conduct to the full extent provided for by the common law of the State of California.

76. Plaintiffs have no adequate remedy at law for the foregoing wrongful conduct. Plaintiffs have been, and absent injunctive relief, will continue to be irreparably harmed by Defendants' actions.

PRAYER

WHEREFORE, Plaintiffs prays for judgment as follows:

A. For judgment that:

- (i) Defendants have violated Section 32 of the Lanham Act, 15 U.S.C. § 1114;
- (ii) Defendants have violated Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a);
- (iii) Defendants have violated Section 42 of the Lanham Act, 15 U.S.C. § 1124;
- (iv) Defendants have violated Section 526 of the Tariff Act, 19 U.S.C. § 1526(a);
- (v) Defendants' violations of Sections 32, 43(a), and 42 of the Lanham Act and Section 526 of the Tariff Act were willful, intentional, and done with knowledge that the infringing marks were counterfeit;
- (vi) Defendants have violated the California Unfair Business Practices Act, Cal. Bus. & Prof. Code § 17200 *et seq.*; and
- (vii) Defendants have engaged in unfair competition in violation of the common law of the State of California.

B. For an injunction restraining and enjoining Defendants and their divisions, subsidiaries, officers, agents, employees, attorneys, and all those persons in active concert or participation with them who receive actual notice of the order by

1 personal service or otherwise, from (i) purchasing, importing, distributing, selling,
2 or offering for sale, counterfeit Coach Products, or assisting, aiding or abetting any
3 other person or entity in doing so; or (ii) using the Coach Trademarks or trademarks
4 confusingly similar therewith, or assisting, aiding or abetting any other person or
5 entity in doing so.

6 C. For an order requiring Defendants, within thirty (30) days after
7 entry of judgment, to deliver up to counsel for Plaintiffs any and all handbags and
8 wallets in their possession, custody, and/or control that infringe the Coach
9 Trademarks.

10 D. For an order requiring Defendants, within thirty (30) days after
11 entry of judgment, to recall all goods sold or distributed by them that infringe the
12 Coach Trademarks.

13 E. For an order requiring Defendants, within thirty (30) days after
14 entry of judgment, to deliver up to counsel for Plaintiffs any and all documents in
15 their possession, custody, and/or control that reflect or relate to the purchase,
16 importation, storage, shipping, or sale of handbags and wallets that infringe the
17 Coach Trademarks.

18 F. For an order requiring Defendants, within thirty (30) days after
19 entry of judgment, to prepare and deliver to counsel for Plaintiffs a complete list of
20 entities from whom Defendants purchased, and to whom they sold, handbags and
21 wallets that infringe the Coach Trademarks.

22 G. For an order requiring Defendants, within thirty (30) days after
23 entry of judgment, to file with the Court and serve upon counsel for Plaintiffs a
24 written report, under oath, setting forth in detail the manner in which Defendants
25 have complied with paragraphs C through F above.

26 H. For an order requiring (i) that Defendants account for and pay
27 over to Plaintiffs all of Defendants' profits derived from their unlawful conduct to
28 the full extent provided for by Section 35(a) of the Lanham Act, 15 U.S.C.

1 § 1117(a); (ii) the trebling of the damages Defendants are required to pay over to
2 Plaintiffs (*i.e.*, Defendants' profits derived from their unlawful conduct), and
3 awarding Plaintiffs their costs, attorneys' fees, and prejudgment interest to the full
4 extent provided for by Section 35(b) of the Lanham Act, 15 U.S.C. § 1117(b);
5 (iii) as an alternative to awarding Defendants' profits, trebled, under Sections 35(a)
6 and 35(b), awarding Plaintiffs statutory damages as provided for by Section 35(c) of
7 the Lanham Act, 15 U.S.C. § 1117(c); and (iv) awarding Plaintiffs general, special,
8 and exemplary damages to the full extent provided for by Cal. Bus. & Prof. Code
9 §17200 *et seq.*, Cal. Civ. Code. § 3294(a), and the common law of the State of
10 California.

11 I. For costs of suit, attorneys' fees, and such other and further relief
12 as the Court shall deem appropriate.

13 DATED: June 28, 2017

THOMPSON COBURN LLP

14
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16 By: /s/ Samuel R. Watkins
17 **SAMUEL R. WATKINS**
18 Attorneys for Plaintiffs COACH, INC. and
19 COACH SERVICES, INC.
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DEMAND FOR JURY TRIAL

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiffs
Coach, Inc. and Coach Services, Inc. hereby demand trial by jury in this action on
any issue triable of right by a jury.

DATED: June 28, 2017 THOMPSON COBURN LLP

By: /s/ Samuel R. Watkins
SAMUEL R. WATKINS
Attorneys for Plaintiffs COACH, INC. and
COACH SERVICES, INC.